

Chapter II. Indicators of Dependence

Following the format of the previous annual reports to Congress, Chapter II presents summary data related to indicators of dependence. These indicators differ from other welfare statistics because of their emphasis on welfare dependence, rather than simple welfare receipt. As discussed in Chapter I, the Advisory Board on Welfare Indicators suggested measuring dependence as the proportion of families with more than 50 percent of their total income in a one-year period coming from AFDC (now TANF), food stamps and/or SSI. Furthermore, this welfare income was not to be associated with work activities.

The indicators in Chapter II were selected to provide information about dependence, following, to the extent feasible, the definition of dependence proposed by the Advisory Board. Existing data from administrative records and national surveys, however, do not generally distinguish welfare benefits received in conjunction with work from benefits received without work. Thus, it was not possible to construct one single indicator of dependence; that is, one indicator that measures both percentage of income from means-tested assistance and presence of work activities.

Instead, this chapter includes some indicators that focus on the percentage of recipients' income from means-tested assistance, while other indicators focus on presence of work activities at the same time as welfare receipt. Still other indicators present summary data and characteristics on all recipients, not limited to those with more than 50 percent of total income from welfare programs or those without work activities.

Overall, the indicators of dependency were selected to reflect both the range and depth of dependence. This chapter focuses on recipients of three major means-tested cash and nutritional assistance programs: cash assistance through the Aid to Families with Dependent Children (AFDC) and the Temporary Assistance for Needy Families (TANF) programs, Supplemental Security Income (SSI) for elderly and disabled recipients, and the Food Stamp Program.

Here is a brief summary of each of the eleven indicators:

Indicator 1: Degree of Dependence. This indicator focuses most closely on those individuals who meet the Advisory Board's proposed definition of "dependence." In addition to examining individuals with more than 50 percent of their annual family income from AFDC/TANF, food stamps and/or SSI, it shows various levels of dependence by examining those with more than 0 percent, 25 percent, and 75 percent of their income from these sources (Indicators 1a and 1b). This indicator also shows the average percentage of income from means-tested assistance and earnings received by families with various levels of income relative to the poverty level (Indicators 1c and 1d).

Indicator 2: Receipt of Means-Tested Assistance and Labor Force Attachment. This indicator looks further at the relationship between receipt of means-tested assistance and participation in the labor force. This is an important issue because of the significant number of low-income individuals who use a combination of means-tested assistance and earnings from the labor force to get by each month.

Indicator 3: Rates of Receipt of Means-Tested Assistance. This indicator paints yet another picture of dependence by measuring reciprocity rates, that is, the percentage of the population that receives AFDC/TANF, food stamps, or SSI in an average month. Program administrative data make these figures readily available over time, allowing a better sense of historical trends than is available from the more specialized indicators of dependence.

Indicator 4: Rates of Participation in Means-Tested Assistance Programs. While means-tested public assistance programs are open to all that meet their requirements, not all eligible households participate in the programs. This indicator uses administrative data and microsimulation models to reflect “take up rates” – the number of families that actually participate in the programs as a percentage of those who are legally eligible.

Indicator 5: Multiple Program Receipt. Depending on their circumstances, individuals may choose a variety of different means-tested assistance “packages.” This indicator looks at the percentage of individuals receiving AFDC/TANF, food stamps, and SSI in a month, examining how many rely on just one of these programs, and how many rely on a combination of two programs.

Indicator 6: Dependence Transitions. This indicator uses data from the Survey of Income and Program Participation (SIPP) to look at the ability of individuals who are dependent on welfare in one year to make the transition out of dependence in the following year.

Indicator 7: Dependence Spell Duration. Like Indicator 6, this indicator is concerned with dynamics of welfare receipt and welfare dependence. It shows the proportion of individuals with short, medium, and long spells, or episodes, of AFDC receipt. The focus is on individuals in AFDC families with no labor force participants.

Indicator 8: Program Spell Duration. One critical aspect of dependence is how long individuals receive means-tested assistance. Like Indicator 7, this indicator provides information on short, medium, and long spells of welfare receipt. It differs from Indicator 7 in looking at all recipients, regardless of attachment to the labor force, and in analyzing recipients of each of the three major means-tested programs – AFDC, food stamps, and SSI.

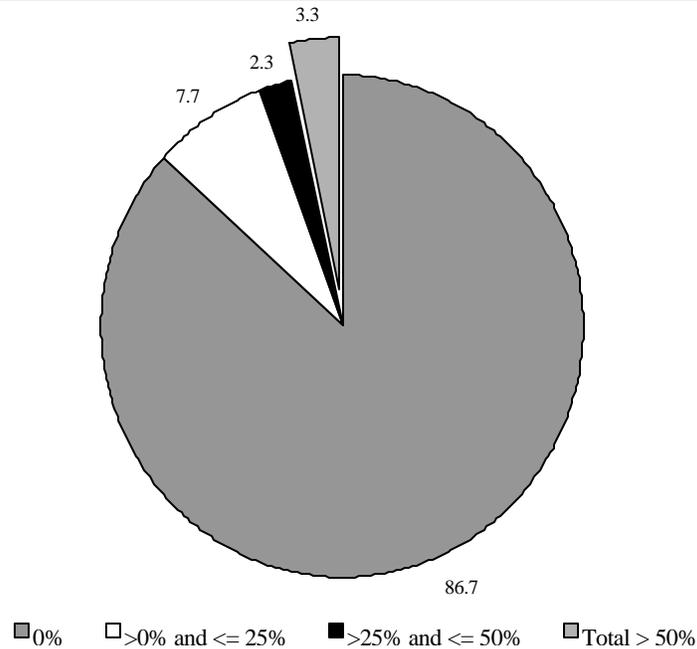
Indicator 9: Long-Term Dependency. This indicator uses data from the Panel Study of Income Dynamics (PSID) to examine dependency over three separate ten-year time periods. It measures dependency as individuals with more than 50 percent of their income from AFDC and food stamps, not counting SSI.

Indicator 10: Long-Term Receipt. Many individuals who leave welfare programs cycle back on after an absence of several months. Thus it is important to look beyond individual program spells, measured in Indicator 8, to examine the cumulative amount of time individuals receive assistance over a period of several years. The issue of long-term receipt is particularly important in light of time limits that have been enacted under state TANF programs.

Indicator 11: Events Associated with the Beginning and Ending of Program Spells. To gain a better understanding of welfare dynamics, it is important to go beyond measures of spell duration and examine information regarding the major events in people's lives that are correlated with the beginnings or endings of program spells. This measure focuses on receipt of AFDC.

INDICATOR 1. DEGREE OF DEPENDENCE

Figure IND 1a. Percentage of Total Income from Means-Tested Assistance Programs: 1999



Source: March CPS data, analyzed using the TRIM3 microsimulation model.

- About 3.3 percent of the total population in 1999 received more than half of their total family income from TANF, food stamps and SSI. As shown in Table IND1b, the percentage of families dependent on public assistance steadily decreased over the past several years.
- A total of 13.3 percent of the overall population received at least one dollar in means-tested assistance in 1999. However, for over half of these individuals (7.7 percent of the total population), such assistance represented 25 percent or less of annual family income. The vast majority (87 percent) of the population received no means-tested assistance in 1999.
- Very young children (birth to five years) were more likely than children of other ages to be in families receiving some amount of public assistance. As shown in Table IND 1a, 6 percent of very young children were dependent on public assistance in 1999.
- In 1999, only one out of four of individuals receiving some public assistance reported that TANF, food stamps, and SSI accounted for more than half of their total family income. This number showed a decline in dependence since 1996, when nearly one in three individuals receiving public assistance were dependent on it.

Table IND 1a. Percentage of Total Annual Family Income from Means-Tested Assistance Programs, by Race/Ethnicity and Age: 1999

	0%	>0% and <= 25%	>25% and <= 50%	>50% and <= 75%	>75% and <= 100%	Total > 50%
All Persons	86.7	7.7	2.3	1.1	2.2	3.3
Non-Hispanic White	91.7	5.3	1.2	0.7	1.2	1.8
Non-Hispanic Black	70.2	14.5	6.2	3.0	6.1	9.1
Hispanic	76.6	13.5	4.5	1.9	3.5	5.4
Children Ages 0-5	78.5	11.3	4.0	2.3	3.9	6.2
Children Ages 6-10	80.2	9.9	3.8	2.5	3.6	6.1
Children Ages 11-15	82.7	9.3	3.6	1.8	2.7	4.4
Women Ages 16-64	86.5	7.9	2.2	1.2	2.3	3.5
Men Ages 16-64	90.4	6.4	1.4	0.6	1.4	1.9
Adults Age 65 and over	90.0	6.2	1.9	0.6	1.4	2.0

Note: Means-tested assistance includes AFDC/TANF, SSI, and food stamps. Total >50% includes all persons with more than 50 percent of their total annual family income from these means-tested programs. Income includes cash income and the value of food stamps.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

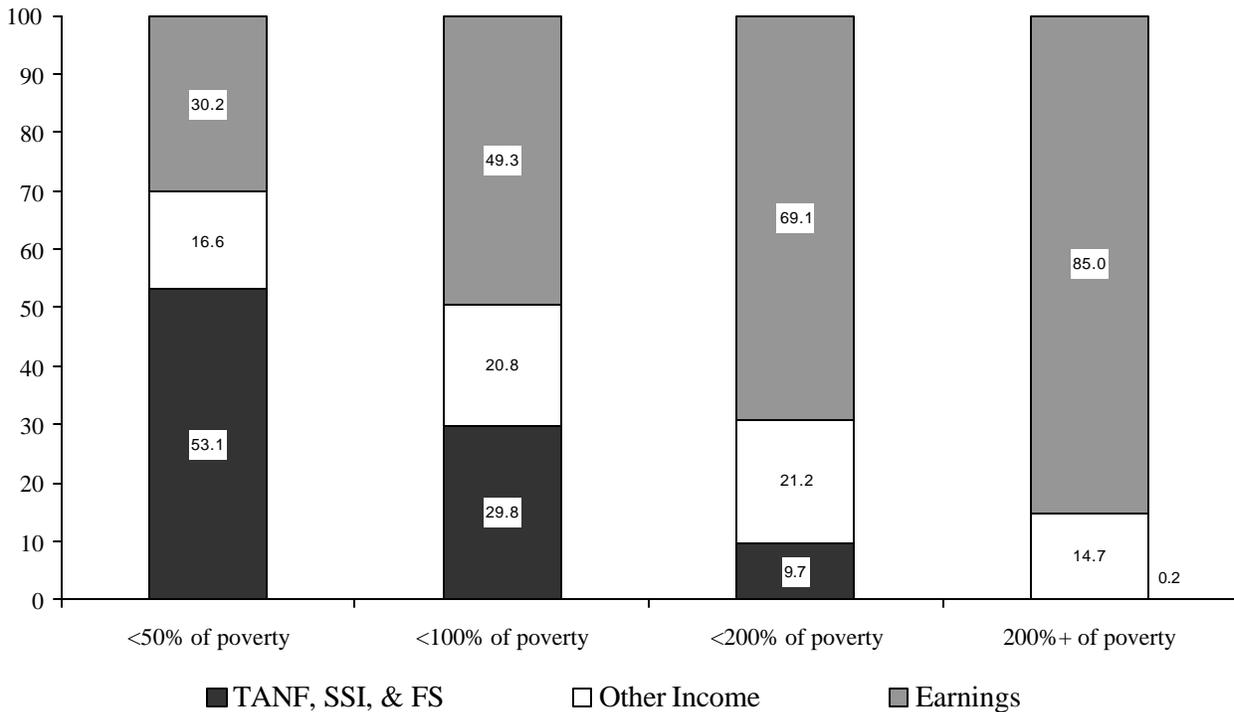
Table IND 1b. Percentage of Total Income from Means-Tested Assistance Programs: 1993-1999

	0%	>0% and <= 25%	>25% and <= 50%	>50% and <= 75%	>75% and <= 100%	Total > 50%
1993	83.4	7.8	3.0	1.8	4.1	5.9
1994	82.8	8.4	3.1	1.8	4.0	5.8
1995	83.2	8.5	3.1	1.8	3.5	5.3
1996	84.0	7.8	3.1	1.9	3.3	5.2
1997	85.3	7.7	2.5	1.5	3.1	4.5
1998	86.5	7.3	2.5	1.3	2.5	3.8
1999	86.7	7.7	2.3	1.1	2.2	3.3

Note: Means-tested assistance includes AFDC/TANF, SSI, and food stamps. Total >50% includes all persons with more than 50 percent of their total annual family income from these means-tested programs. Income includes cash income and the value of food stamps.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

Figure IND 1c. Percentage of Total Income from Various Sources, by Poverty Status: 1999



Source: March CPS data, analyzed using the TRIM3 microsimulation model.

- Those in families with incomes below the poverty level received nearly half (49 percent) of their total family income from earnings and 30 percent of their total family income from means-tested assistance programs (AFDC/TANF, SSI, and food stamps) in 1999. In contrast, those with family incomes over 200 percent of the poverty level received the majority (85 percent) of their incomes from earnings and less than one percent of their income from means-tested assistance (a percentage so small as to not be visible in Figure IND 1c).
- The percentage of family income received from earnings is inversely proportional to overall family income relative to the poverty line. For example, the percentage of income received from earnings for those living in deep poverty (below 50 percent of poverty) was only 30 percent, compared to 49 percent for all poor individuals in 1999.
- On average, children were more likely than the elderly to live in families receiving a higher percentage of their income from means-tested assistance programs, as shown by Table IND 1c. The elderly received more income from other sources, such as Social Security benefits and private pensions.
- The percentage of income received from earnings for families with incomes below the poverty level has increased over time, as shown in Table IND 1d. In 1995, poor families received 40 percent of their incomes from earnings; this percentage rose to 49 percent in 1999.

Table IND 1c. Percentage of Total Income from Various Sources, by Poverty Status, Race/Ethnicity, and Age: 1999

	< 50% poverty	<100% of poverty	<200% of poverty	200%+ of poverty
All Persons				
TANF, SSI, and Food Stamps	53.1	29.8	9.7	0.2
Earnings	30.2	49.3	69.1	85.0
Other Income	16.6	20.8	21.2	14.7
Racial/Ethnic Categories				
<i>Non-Hispanic White</i>				
TANF, SSI, and Food Stamps	46.8	25.9	6.7	0.1
Earnings	30.0	45.9	65.4	84.2
Other Income	23.2	28.2	27.8	15.7
<i>Non-Hispanic Black</i>				
TANF, SSI, and Food Stamps	62.0	41.1	16.7	0.5
Earnings	24.8	39.2	63.9	87.1
Other Income	13.2	19.8	19.4	12.4
<i>Hispanic</i>				
TANF, SSI, and Food Stamps	49.7	25.2	9.9	0.6
Earnings	38.0	63.2	80.0	90.7
Other Income	12.3	11.6	10.1	8.7
Age Categories				
<i>Children Ages 0-5</i>				
TANF, SSI, and Food Stamps	61.1	33.5	11.8	0.3
Earnings	26.8	56.2	80.0	93.0
Other Income	12.2	10.3	8.2	6.8
<i>Children Ages 6-10</i>				
TANF, SSI, and Food Stamps	60.0	33.9	11.4	0.2
Earnings	27.0	52.7	78.0	91.9
Other Income	13.0	13.3	10.7	8.0
<i>Children Ages 11-15</i>				
TANF, SSI, and Food Stamps	56.6	31.7	10.8	0.2
Earnings	26.6	51.5	75.2	90.8
Other Income	16.8	16.8	13.9	9.0

over

Table IND 1c. Percentage of Total Income from Various Sources, by Poverty Status, Race/Ethnicity, and Age: 1999 (continued)

	< 50% poverty	<100% of poverty	<200% of poverty	200%+ of poverty
<i>Women Ages 16-64</i>				
TANF, SSI, and Food Stamps	49.8	31.6	10.7	0.2
Earnings	32.9	48.5	72.5	88.0
Other Income	17.3	19.9	16.9	11.8
<i>Men Ages 16-64</i>				
TANF, SSI, and Food Stamps	40.4	23.7	7.6	0.2
Earnings	40.7	55.3	76.4	89.1
Other Income	19.0	21.0	16.1	10.7
<i>Adults Age 65 and over</i>				
TANF, SSI, and Food Stamps	25.3	18.7	6.3	0.4
Earnings	2.6	4.9	10.5	34.1
Other Income	72.1	76.4	83.1	65.5

Note: Total income is total annual family income, including the value of food stamps. Other income is non means-tested, non-earnings income such as child support, alimony, pensions, Social Security benefits, interest, and dividends. Poverty status categories are not mutually exclusive.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

Table IND 1d. Percentage of Total Income from Various Sources: Selected Years

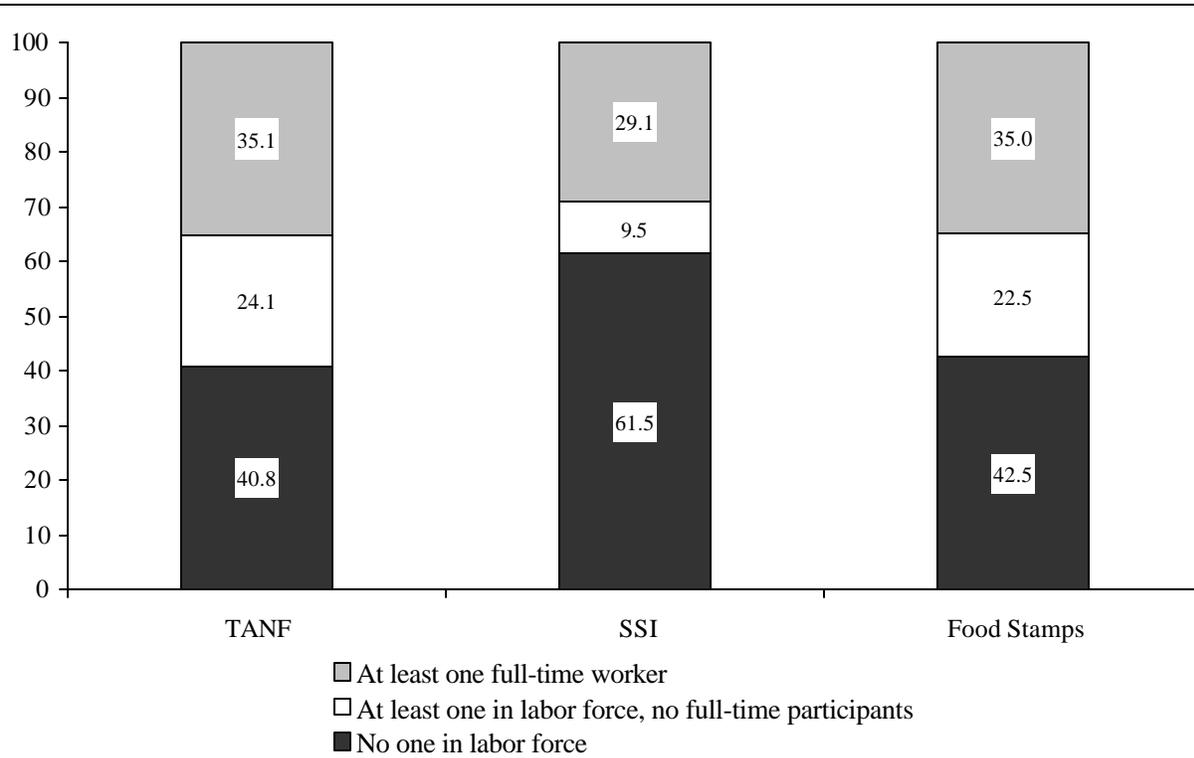
	< 50% poverty	<100% of poverty	<200% of poverty	200%+ of poverty
1995				
TANF, SSI, and Food Stamps	65.9	41.3	14.2	0.3
Earnings	22.5	40.4	64.8	85.4
Other Income	11.6	18.3	21.0	14.3
1998				
TANF, SSI, and Food Stamps	58.9	32.0	10.6	0.2
Earnings	27.0	47.9	67.8	85.3
Other Income	14.1	20.1	21.6	14.5
1999				
TANF, SSI, and Food Stamps	53.1	29.8	9.7	0.2
Earnings	30.2	49.3	69.1	85.0
Other Income	16.6	20.8	21.2	14.7

Note: Total income is total annual family income, including the value of food stamps. Other income is non means-tested, non-earnings income such as child support, alimony, pensions, Social Security benefits, interest, and dividends. Poverty status categories are not mutually exclusive.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

INDICATOR 2. RECEIPT OF MEANS-TESTED ASSISTANCE AND LABOR FORCE ATTACHMENT

Figure IND 2. Percentage of Recipients in Families with Labor Force Participants, by Program: 1999



Source: March CPS data, analyzed using the TRIM3 microsimulation model.

- In 1999, 59 percent of individuals who received TANF, 58 percent of individuals who received food stamps, and 39 percent of individuals who received SSI were in families with at least one person in the labor force, either part-time or full-time.
- Over one-third of TANF and food stamp recipients lived in families with at least one full-time worker in 1999, while slightly less than one-fourth had a part-time labor force participant. In contrast, SSI recipients were more likely to live in families with no labor force participant.
- As shown in Table IND 2a, among recipients of TANF, food stamps, and SSI, a larger percentage of children under age 6 were in families with at least one full-time worker than children ages 6 to 15.
- The percentage of AFDC/TANF recipients living in families with at least one full-time worker increased from 24 percent in 1996 to 36 percent in 1999, as shown in Table IND 2b.

Table IND 2a. Percentage of Recipients in Families with Labor Force Participants, by Program,

Race/Ethnicity, and Age: 1999

		No one in LF	At least one in LF, No one FT	At least one FT worker
TANF	All Persons	40.8	24.1	35.1
	Non-Hispanic White	36.7	26.1	37.2
	Non-Hispanic Black	47.9	27.1	24.9
	Hispanic	42.2	17.0	40.8
	Children Ages 0-5	39.7	21.6	38.7
	Children Ages 6-10	47.1	24.6	28.3
	Children Ages 11-15	43.8	21.8	34.4
	Women Ages 16-64	40.1	25.6	34.3
	Men Ages 16-64	29.9	30.1	40.0
	Adults Age 65 and over	33.6	2.7	63.7
SSI	All Persons	61.5	9.5	29.1
	Non-Hispanic White	68.0	7.8	24.2
	Non-Hispanic Black	61.9	12.2	25.9
	Hispanic	47.6	10.5	41.9
	Children Ages 0-5	26.4	15.9	57.7
	Children Ages 6-10	36.2	20.0	43.8
	Children Ages 11-15	31.2	18.8	50.1
	Women Ages 16-64	68.7	9.4	21.9
	Men Ages 16-64	64.7	8.7	26.6
	Adults Age 65 and over	63.7	6.6	29.7
FOOD STAMPS	All Persons	42.5	22.5	35.0
	Non-Hispanic White	44.5	21.2	34.2
	Non-Hispanic Black	43.0	25.2	31.8
	Hispanic	39.0	18.8	42.3
	Children Ages 0-5	34.9	22.8	42.3
	Children Ages 6-10	36.0	25.2	38.8
	Children Ages 11-15	36.6	23.1	40.4
	Women Ages 16-64	42.6	24.4	33.0
	Men Ages 16-64	40.8	22.8	36.4
	Adults Age 65 and over	88.4	6.2	5.4

Note: Recipients are limited to those individuals or family members directly receiving benefits in a month. Full-time workers are those who usually work 35 hours or more per week. Part-time labor force participation includes part-time workers and those who are unemployed, laid off, and/or looking for work. This indicator measures, on an average monthly basis, the combination of individual benefit receipt and labor force participation by any family member in the same month.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

**Table IND 2b. Percentage of AFDC/TANF Recipients in Families with Labor Force Participants:
1993-1999**

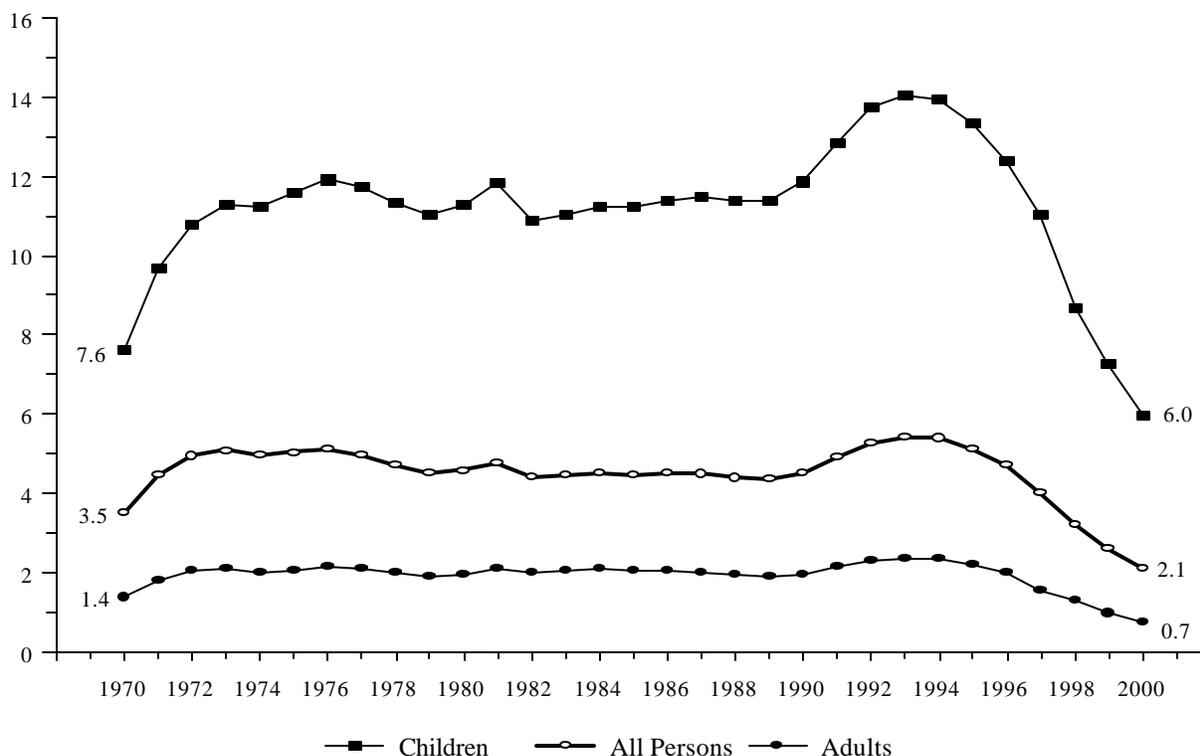
	No one in LF	At least one in LF, No one FT	At least one FT worker
1993	57.0	24.2	18.8
1994	54.8	24.8	20.4
1995	50.6	24.3	25.1
1996	50.1	25.6	24.3
1997	47.6	28.0	24.4
1998	44.3	25.8	29.9
1999	40.8	24.1	35.1

Note: Recipients are limited to those individuals or family members directly receiving benefits in a month. Full-time workers are those who usually work 35 hours or more per week. Part-time labor force participation includes those who are unemployed, laid off, and/or looking for work. This indicator measures, on an average monthly basis, the combination of individual benefit receipt and labor force participation by any family member in the same month.

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

INDICATOR 3. RATES OF RECEIPT OF MEANS-TESTED ASSISTANCE

Figure IND 3a. Percentage of the Total Population Receiving AFDC/TANF, by Age: 1970-2000



Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, and U.S. Bureau of the Census, United States Census 2000, (Available online at <http://www.census.gov>).

- Although the survey data needed to examine overall welfare receipt and dependency are not yet available past 1999, administrative data for AFDC/TANF, food stamps, and SSI provide measures of reciprocity for each of these three programs through 2000, as shown in Figures IND 3a, IND 3b, and IND 3c. Additional administrative data are shown in Appendix A.
- Just over 2 percent of the population received TANF in 2000. This is the lowest rate of AFDC/TANF receipt in the 30 years shown in Table IND 3a. The percentage of the total population receiving AFDC/TANF has dropped significantly since 1994, when it was at a 25-year high of over 5 percent.
- AFDC/TANF reciprocity rates have been much higher over time for children than for adults, with the child reciprocity rates also showing more pronounced changes over time. Between 1996 and 2000, the receipt of AFDC/TANF receipt among children was cut in half (from 12 to 6 percent), the most rapid decline in a generation.

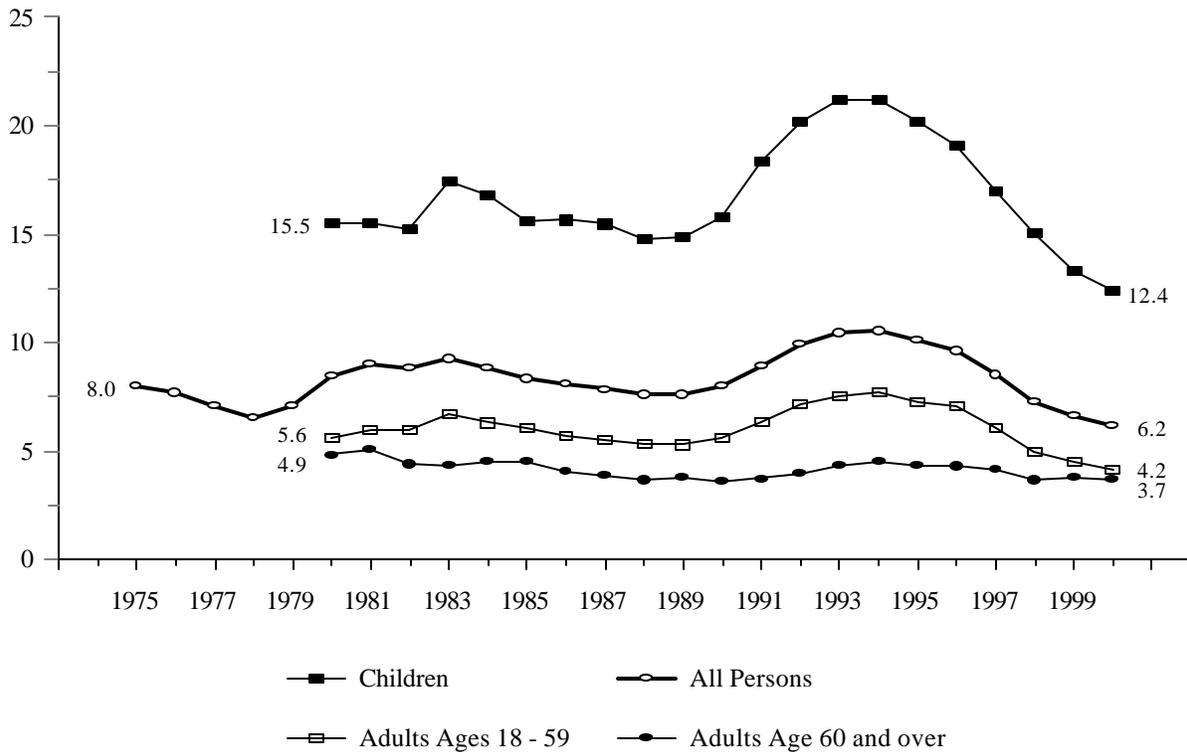
**Table IND 3a. Number and Percentage of the Total Population Receiving AFDC/TANF, by Age:
1970-2000**

Fiscal Year	Total Recipients		Adult Recipients		Child Recipients	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
1970	7,188	3.5	1,863	1.4	5,325	7.6
1971	9,281	4.5	2,516	1.8	6,765	9.7
1972	10,345	4.9	2,848	2.0	7,497	10.8
1973	10,760	5.1	2,984	2.1	7,776	11.3
1974	10,591	5.0	2,935	2.0	7,656	11.3
1975	10,854	5.0	3,078	2.1	7,776	11.6
1976	11,171	5.1	3,271	2.2	7,900	11.9
1977	10,933	5.0	3,230	2.1	7,703	11.8
1978	10,485	4.7	3,128	2.0	7,357	11.4
1979	10,146	4.5	3,071	1.9	7,075	11.0
1980	10,422	4.6	3,226	2.0	7,196	11.3
1981	10,979	4.8	3,491	2.1	7,488	11.8
1982	10,233	4.4	3,395	2.0	6,838	10.9
1983	10,467	4.5	3,548	2.1	6,919	11.1
1984	10,677	4.5	3,652	2.1	7,025	11.2
1985	10,630	4.5	3,589	2.0	7,041	11.2
1986	10,810	4.5	3,637	2.1	7,173	11.4
1987	10,878	4.5	3,624	2.0	7,254	11.5
1988	10,734	4.4	3,536	2.0	7,198	11.4
1989	10,741	4.4	3,503	1.9	7,238	11.4
1990	11,263	4.5	3,643	2.0	7,620	11.9
1991	12,391	4.9	4,016	2.1	8,375	12.9
1992	13,423	5.3	4,336	2.3	9,087	13.7
1993	13,943	5.4	4,519	2.4	9,424	14.1
1994	14,033	5.4	4,554	2.4	9,479	14.0
1995	13,479	5.1	4,322	2.2	9,157	13.4
1996	12,477	4.7	3,921	2.0	8,556	12.4
1997	10,785	4.0	3,112	1.6	7,673	11.0
1998	8,660	3.2	2,581	1.3	6,078	8.7
1999	7,084	2.6	1,977	1.0	5,107	7.3
2000	5,891	2.1	1,559	0.7	4,331	6.0

Notes: See Appendix A, Tables TANF 2, TANF 12, and TANF 14, for more detailed data on reciprocity rates, including reciprocity rates by calendar year. Recipients are expressed as the fiscal year average of monthly caseloads from administrative data, excluding recipients in the territories. Child recipients include a small number of dependents ages 18 and older who are students. The average number of adult and child recipients in 1998 and 1999 is estimated using data from the Emergency TANF Data Report.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, and U.S. Bureau of the Census, United States Census 2000, (Available online at <http://www.census.gov>).

Figure IND 3b. Percentage of the Total Population Receiving Food Stamps, by Age: 1975-2000



Source: USDA, Food and Nutrition Service, Office of Analysis, Nutrition, and Evaluation, *Characteristics of Food Stamp Households, Fiscal Year 2000*, and earlier reports, and U.S. Bureau of the Census, *United States Census 2000*, (Available online at <http://www.census.gov>).

- The food stamp reciprocity rate, like the AFDC/TANF reciprocity rate shown previously in Figure IND 3a, has fallen sharply in recent years. The percentage of all persons receiving food stamps peaked in 1994, at nearly 11 percent, but dropped to just over 6 percent in 2000, its lowest point ever since the Food Stamp program became available nationwide in 1975.
- As with AFDC/TANF, food stamp reciprocity rates have been much higher over time for children than for adults. Between 1980 and 2000, the percentage of all children who received food stamps was between two and one-half to three times that for all adults 18 to 59.
- Similar trends in food stamps reciprocity – largely reflecting changes in the rate of unemployment and programmatic changes – existed across all age groups over time, as shown in Table IND 3b. The percentages of individuals receiving food stamps within all age groups declined from 1984 through 1988, rose in the early 1990s until reaching a peak in 1994, and then declined through 2000.

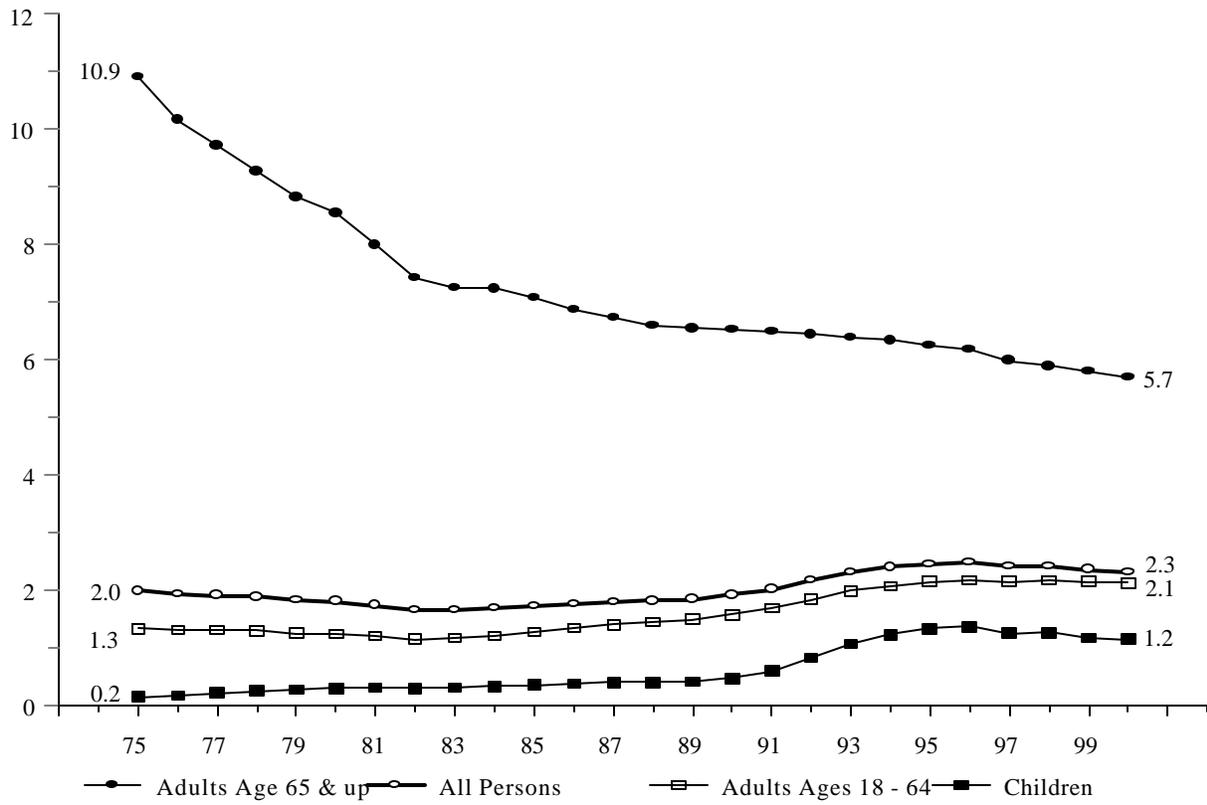
**Table IND 3b. Number and Percentage of the Total Population Receiving Food Stamps, by Age:
1975-2000**

Fiscal Year	Total Recipients		Adult Recipients Age 60 and over		Adult Recipients Ages 18-59		Child Recipients Ages 0-18	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
	(thousands)		(thousands)		(thousands)		(thousands)	
1975	17,217	8.0	—	—	—	—	—	—
1976	16,733	7.7	—	—	—	—	9,126	13.8
1977	15,579	7.1	—	—	—	—	—	—
1978	14,503	6.5	—	—	—	—	—	—
1979	15,976	7.1	—	—	—	—	—	—
1980	19,253	8.5	1,741	4.9	7,186	5.6	9,876	15.5
1981	20,654	9.0	1,845	5.0	7,811	6.0	9,803	15.5
1982	20,446	8.8	1,641	4.4	7,838	6.0	9,591	15.3
1983	21,667	9.3	1,654	4.4	8,960	6.7	10,910	17.4
1984	20,796	8.8	1,758	4.5	8,521	6.3	10,492	16.8
1985	19,847	8.3	1,783	4.5	8,258	6.1	9,906	15.8
1986	19,381	8.1	1,631	4.1	7,895	5.7	9,844	15.7
1987	19,072	7.9	1,589	3.9	7,684	5.5	9,771	15.5
1988	18,613	7.6	1,500	3.7	7,506	5.3	9,351	14.8
1989	18,778	7.6	1,582	3.8	7,560	5.3	9,429	14.9
1990	20,038	8.0	1,511	3.6	8,084	5.6	10,127	15.8
1991	22,599	9.0	1,593	3.8	9,190	6.4	11,952	18.4
1992	25,369	9.9	1,687	3.9	10,550	7.2	13,349	20.2
1993	26,952	10.5	1,876	4.4	11,214	7.6	14,196	21.2
1994	27,434	10.6	1,952	4.5	11,539	7.7	14,391	21.2
1995	26,579	10.1	1,896	4.3	10,962	7.3	13,860	20.2
1996	25,494	9.6	1,892	4.3	10,766	7.1	13,189	19.1
1997	22,820	8.5	1,834	4.1	9,385	6.1	11,847	17.0
1998	19,746	7.3	1,637	3.7	7,772	5.0	10,524	15.1
1999	18,146	6.7	1,699	3.8	7,090	4.5	9,354	13.3
2000	17,120	6.2	1,702	3.7	6,623	4.2	8,765	12.4

Note: See Appendix A, Tables FSP 1 and FSP 6 for more detailed data on reciprocity rates. Recipients are expressed as the fiscal year average of monthly caseloads from administrative data, excluding recipients in the territories.

Source: USDA, Food and Nutrition Service, Office of Analysis, Nutrition, and Evaluation, *Characteristics of Food Stamp Households, Fiscal Year 2000*, and earlier reports, and U.S. Bureau of the Census, United States Census 2000, (Available online at <http://www.census.gov>).

Figure IND 3c. Percentage of the Total Population Receiving SSI, by Age: 1975-2000



Source: Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin • Annual Statistical Supplement • 2001* (Data available online at <http://www.ssa.gov/statistics>), and U.S. Bureau of the Census, *United States Census 2000*, (Available online at <http://www.census.gov>).

- Unlike the recipiency rates for AFDC/TANF and food stamps, which have been influenced by outside factors such as the economy and welfare reform, overall recipiency rates for SSI show less variation over time. After trending downward slightly from 1975 to the early 1980s, the proportion of the total population that receives SSI has risen from 1.7 percent in 1983 to 2.5 percent in 1996 and subsequently declined slightly to 2.3 percent. As shown in Table IND 3c, the total number of recipients has grown by 70 percent over the same period, from 3.9 million to 6.6 million people.
- Elderly adults (age 65 and older) have much higher recipiency rates than any other age group. The gap has narrowed, however, as the percentage of adults age 65 and older receiving SSI has been cut nearly in half, declining from 10.9 percent in 1975 to 5.7 percent in 2000.
- The proportion of children receiving SSI increased gradually between 1975 and 1990, and grew more rapidly in the early-to-mid 1990s, reaching a high of 1.4 percent in 1996. The rate has since fallen slightly, with 1.2 percent of children receiving SSI in 2000.

Table IND 3c. Number and Percentage of the Total Population Receiving SSI, by Age: 1975-2000

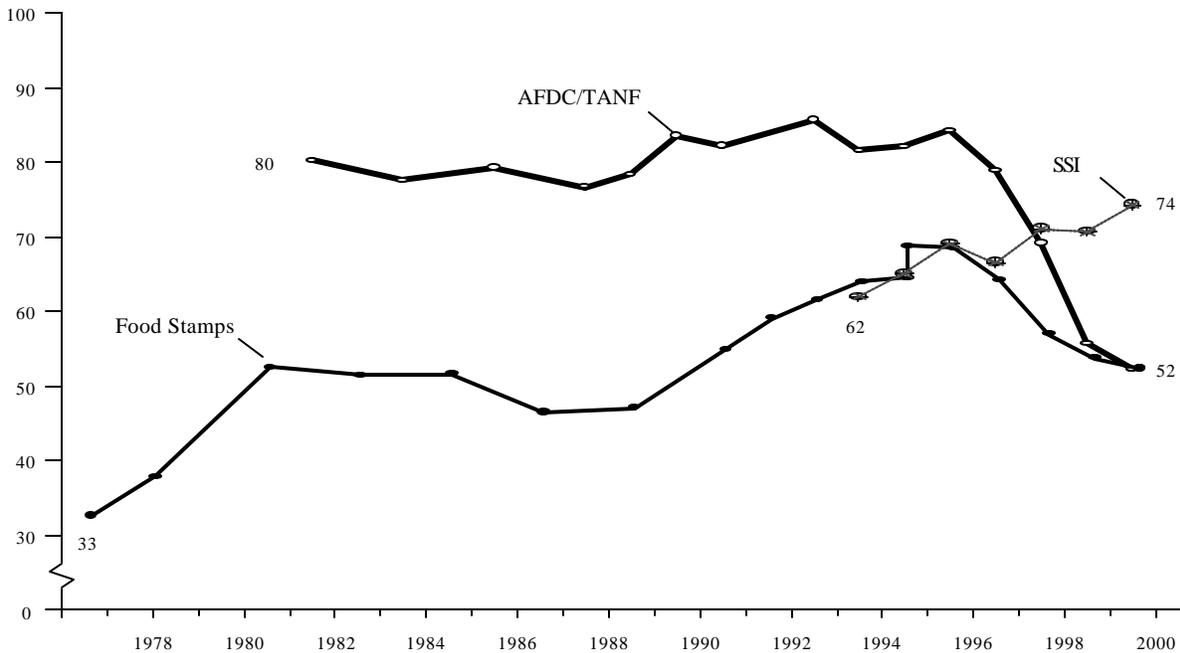
Date	Total Recipients		Adult Recipients Age 65 & over		Adult Recipients Ages 18-64		Child Recipients Ages 0-18	
	Number		Number		Number		Number	
	(thousands)	Percent	(thousands)	Percent	(thousands)	Percent	(thousands)	Percent
Dec 1975	4,314	2.0	2,508	10.9	1,699	1.3	107	0.2
Dec 1976	4,236	1.9	2,397	10.2	1,714	1.3	125	0.2
Dec 1977	4,238	1.9	2,353	9.7	1,738	1.3	147	0.2
Dec 1978	4,217	1.9	2,304	9.3	1,747	1.3	166	0.3
Dec 1979	4,150	1.8	2,246	8.8	1,727	1.3	177	0.3
Dec 1980	4,142	1.8	2,221	8.6	1,731	1.2	190	0.3
Dec 1981	4,019	1.7	2,121	8.0	1,703	1.2	195	0.3
Dec 1982	3,858	1.7	2,011	7.4	1,655	1.2	192	0.3
Dec 1983	3,901	1.7	2,003	7.3	1,700	1.2	198	0.3
Dec 1984	4,029	1.7	2,037	7.2	1,780	1.2	212	0.3
Dec 1985	4,138	1.7	2,031	7.1	1,879	1.3	227	0.4
Dec 1986	4,269	1.8	2,018	6.9	2,010	1.3	241	0.4
Dec 1987	4,385	1.8	2,015	6.7	2,119	1.4	251	0.4
Dec 1988	4,464	1.8	2,006	6.6	2,203	1.5	255	0.4
Dec 1989	4,593	1.9	2,026	6.5	2,302	1.5	265	0.4
Dec 1990	4,817	1.9	2,059	6.5	2,450	1.6	309	0.5
Dec 1991	5,118	2.0	2,080	6.5	2,642	1.7	397	0.6
Dec 1992	5,566	2.2	2,100	6.5	2,910	1.9	556	0.8
Dec 1993	5,984	2.3	2,113	6.4	3,148	2.0	723	1.1
Dec 1994	6,296	2.4	2,119	6.3	3,335	2.1	841	1.2
Dec 1995	6,514	2.5	2,115	6.3	3,482	2.2	917	1.3
Dec 1996	6,630	2.5	2,110	6.2	3,568	2.2	955	1.4
Dec 1997	6,495	2.4	2,054	6.0	3,562	2.2	880	1.3
Dec 1998	6,566	2.4	2,033	5.9	3,646	2.2	887	1.3
Dec 1999	6,557	2.4	2,019	5.8	3,691	2.2	847	1.2
Dec 2000	6,602	2.3	2,011	5.7	3,744	2.1	847	1.2

Note: December population figures used as the denominators are obtained by averaging the Census Bureau's July 1 population estimates for the current and the following year (the December population estimates for the year 2000 are extrapolations of April 1, 2000 population figures). See Appendix A, Tables SSI 2, SSI 8, and SSI 9 for more detailed data on SSI reciprocity rates. In this report the categories of children under 18 and adults 18-64 differ from those in previous editions where the category of children included a small number of dependents 18 and older who were students.

Source: Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin • Annual Statistical Supplement • 2001* (Data available online at <http://www.ssa.gov/statistics>), and U.S. Bureau of the Census, *United States Census 2000*, (Available online at <http://www.census.gov>).

INDICATOR 4. RATES OF PARTICIPATION IN MEANS-TESTED ASSISTANCE PROGRAMS

Figure IND 4. Participation Rates in the AFDC/TANF, Food Stamp and SSI Programs Selected Years



Source: AFDC and SSI participation rates are tabulated using TRIM3 microsimulation model, while food stamp participation rates are from a Mathematica Policy Research, Inc. model. See Tables IND 4a, IND 4b, and IND 4c for details.

- Whereas Indicator 3 examined participants as a percentage of the total population (reciency rates), this indicator examines participating families or households as a percentage of the estimated eligible population (participation rates, also known as “take up” rates).
- Participation rates for both AFDC/TANF and the Food Stamp Program fell significantly between 1995 and 1999, with the sharpest decline between 1996 and 1998.
- Only 52 percent of the families estimated as eligible for TANF actually enrolled and received benefits in an average month in 1999. This was significantly lower than AFDC participation rates, which ranged from 77 percent to 86 percent between 1981 and 1996. The food stamp participation rate in 1999 was also 52 percent, its lowest level since 1990.
- In contrast to the declines in AFDC/TANF and Food Stamp Program participation, the SSI participation rate rose by more than 9 percentage points between 1993 and 1999. In 1999, the

SSI participation rate was 74 percent, well above the rates for the other two programs.

Table IND 4a. Number and Percentage of Eligible Families Participating in AFDC/TANF Selected Years

	Eligible Families (in millions)	Participating Families (in millions)	Participation Rate (percent)
1981	4.8	3.8	80.2
1983	4.7	3.7	77.7
1985	4.7	3.7	79.3
1987	4.9	3.8	76.7
1988	4.8	3.7	78.4
1989	4.5	3.8	83.6
1990	4.9	4.1	82.2
1992	5.6	4.8	85.7
1993	6.1	5.0	81.7
1994	6.1	5.0	82.6
1994 (revised)	6.1	5.0	82.1
1995	5.7	4.8	84.3
1996	5.6	4.4	78.9
1997	5.5	3.7	67.5
1997 (adjusted)	5.4	3.7	69.2
1998	5.5	3.1	55.8
1999	4.9	2.6	52.3

Notes: Participation rates are estimated by an Urban Institute model (TRIM3) which uses CPS data to simulate AFDC/TANF eligibility and participation for an average month, by calendar year. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. Most notably, since 1994, the model has been revised to more accurately estimate SSI participation among children, and since 1997 the model was adjusted to more accurately exclude ineligible immigrants. The numbers of eligible and participating families shown above include the territories and pregnant women without children, even though these two small groups are excluded from the TRIM model. The numbers shown here implicitly assume that participation rates for the territories and for pregnant women with no other children are the same as for all other eligibles.

Source: DHHS, Administration for Children and Families caseload tabulations, and unpublished data from the TRIM3 microsimulation model.

- Simulations of the AFDC/TANF eligible population show relatively small changes in the number of families eligible for benefits between 1995 and 1998. These data suggest that the large caseload declines between 1995 and 1998 were largely a result of declining participation or “take up” rates among the eligible populations. Between 1998 and 1999, however, the eligible population dropped by roughly 600,000 families, to the lowest level since 1990.

Table IND 4b. Number and Percentage of Eligible Households Participating in the Food Stamp Program: Selected Years

	Eligible Households (in millions)	Participating Households (in millions)	Participation Rate (percent)
September 76	16.3	5.3	33
February 78	14.0	5.3	38
August 80	14.0	7.4	52
August 82	14.5	7.5	51
August 84	14.2	7.3	52
August 86	15.3	7.1	47
August 88	14.9	7.0	47
August 90	14.5	8.0	55
August 91	15.6	9.2	59
August 92	16.7	10.2	62
August 93	17.0	10.9	64
August 94 (o)	17.0	11.0	65
September 94 (r)	15.5	10.7	69
September 95	15.1	10.4	69
September 96	15.5	9.9	64
September 97	14.8	8.4	57
September 98	14.2	7.6	54
September 99	13.9	7.3	52

Note: Eligible households estimated from a Mathematica Policy Research, Inc. model that uses CPS data to simulate the Food Stamp Program. Caseload data are from USDA, FNS program operations caseload data. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. Most notably, the model was revised in 1994 to produce more accurate (and lower) estimates of eligible households. The original 1994 estimate and estimates for previous years show higher estimates of eligibles and lower participation rates relative to the revised estimate for 1994 and estimates for subsequent years.

Source: U.S. Department of Agriculture, Food and Nutrition Service, *Trends in Food Stamp Program Participation Rates: 1994 to 1999*.

- The proportion of eligible households who participated in the Food Stamp program fell from 64 percent in 1996 to 52 percent in 1999, a drop of 12 percentage points. This is the fourth year in a row that there has been a decline in Food Stamp participation rates.
- In addition, there was a decline in the number of households eligible for the Food Stamp program, from 15.5 million in September 1996 to just under 14 million in September 1999. This decline was driven by new eligibility restrictions on aliens and able-bodied adults without dependent children, growth in the economy, changes in the TANF program, and other factors.
- The significant drop in participating households, from just under 10 million households in September 1996 to 7.3 million households in September 1999, reflects the combined effect of a decline in the eligible population and lower participation rates.

**Table IND 4c. Percentage of Eligible Adult Units Participating in the SSI Program, by Type:
1993-1999**

	All Adult Units	One-Person Units		Married-Couple Units
		Aged	Disabled	
1993	62.0	57.0	71.0	37.0
1994	65.0	58.4	73.0	43.9
1995	69.1	64.9	74.0	52.2
1996	66.6	60.4	73.5	46.7
1997	71.1	62.7	79.4	49.1
1998	70.7	63.6	77.9	48.1
1999	74.3	65.8	83.3	47.8

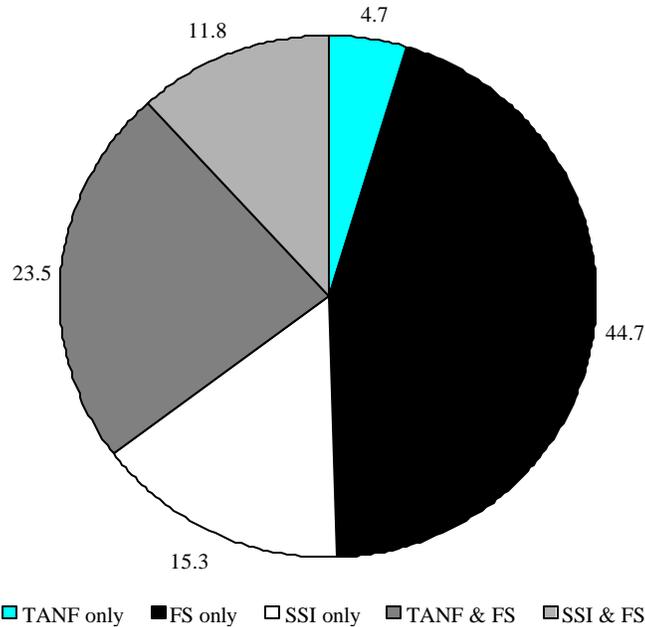
Notes: Participation rates estimated using the TRIM3 microsimulation model, which uses CPS data to simulate SSI eligibility for an average month, by calendar year. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. In particular, the model was revised in 1997 to more accurately exclude ineligible immigrants. Thus the increased participation rate in 1997 is partly due to a revision in estimating methodology. Also note that the figure for married-couple units is based on very small sample sizes—married couple units were only about 7.5 percent of the eligible adults units and 5.1 percent of the units receiving SSI in the average month of 1998.

Source: Unpublished data from the TRIM3 microsimulation model.

- In contrast to the declining participation rates for the AFDC/TANF and Food Stamp programs, the participation rate for adult units in the SSI Program has been increasing, from 62 percent in 1993, to 74 percent in 1999. Note, however, that some of the apparent growth between 1996 and 1997 may be due to a revision in estimating methodology, as noted above.
- In 1999, as in past years, disabled adults in one-person units had a higher participation rate (83 percent) than both aged adults in one-person units (66 percent) and adults in married-couple units (48 percent).

INDICATOR 5. MULTIPLE PROGRAM RECEIPT

Figure IND 5. Percentage of Population Receiving Assistance from Multiple Programs (TANF, Food Stamps, & SSI), Among Those Receiving Assistance: 1999



Source: March CPS data, analyzed using the TRIM3 microsimulation model.

- Of the 9 percent of the population in families receiving TANF, food stamps, or SSI benefits in an average month in 1998, nearly two-thirds (65 percent) received assistance from only one program. Most of these received food stamps or SSI benefits only. Another common pattern of benefit receipt, found in 24 percent of those with any receipt, was TANF and food stamps.
- Children are more likely than others to live in families receiving TANF and/or food stamps. For example, 16 percent of children under six lived in families receiving any public assistance in an average month in 1999, and 6 percent of children under six lived in families receiving both TANF and food stamps, as shown in Table IND 5a.
- The percentage of individuals receiving assistance from at least one program among AFDC/TANF, food stamps, and SSI in an average month decreased during the mid-to-late 1990s (from 12 percent in 1996 to less than 9 percent in 1999), as shown in Table IND 5b. The decline was most dramatic for those families receiving a combination of AFDC/TANF and food stamps.

Table IND 5a. Percentage of Population Receiving Assistance from Multiple Programs (TANF, Food Stamps, SSI), by Race/Ethnicity and Age: 1999

	Any Receipt	One Program Only			Two Programs	
		TANF	FS	SSI	TANF & FS	FS & SSI
All Persons	8.5	0.4	3.8	1.3	2.0	1.0
Racial/Ethnic Categories						
Non-Hispanic White	5.2	0.2	2.3	0.9	1.1	0.7
Non-Hispanic Black	21.2	0.4	10.8	2.3	5.0	2.6
Hispanic	13.8	1.4	5.7	2.0	3.6	1.1
Age Categories						
Children Ages 0-5	16.0	1.1	7.4	0.6	6.2	0.6
Children Ages 6-10	14.7	0.8	8.0	0.6	4.7	0.6
Children Ages 11-15	12.4	0.7	6.5	0.7	4.0	0.5
Women Ages 16-64	8.0	0.3	3.6	1.1	1.9	1.0
Men Ages 16-64	4.8	0.2	2.3	1.1	0.5	0.7
Adults Age 65 and over	7.6	0.0	1.9	3.5	0.0	2.2

See below for notes and source.

Table IND 5b. Percentage of Population Receiving Assistance from Multiple Programs (AFDC/TANF, Food Stamps, SSI): 1993-1999

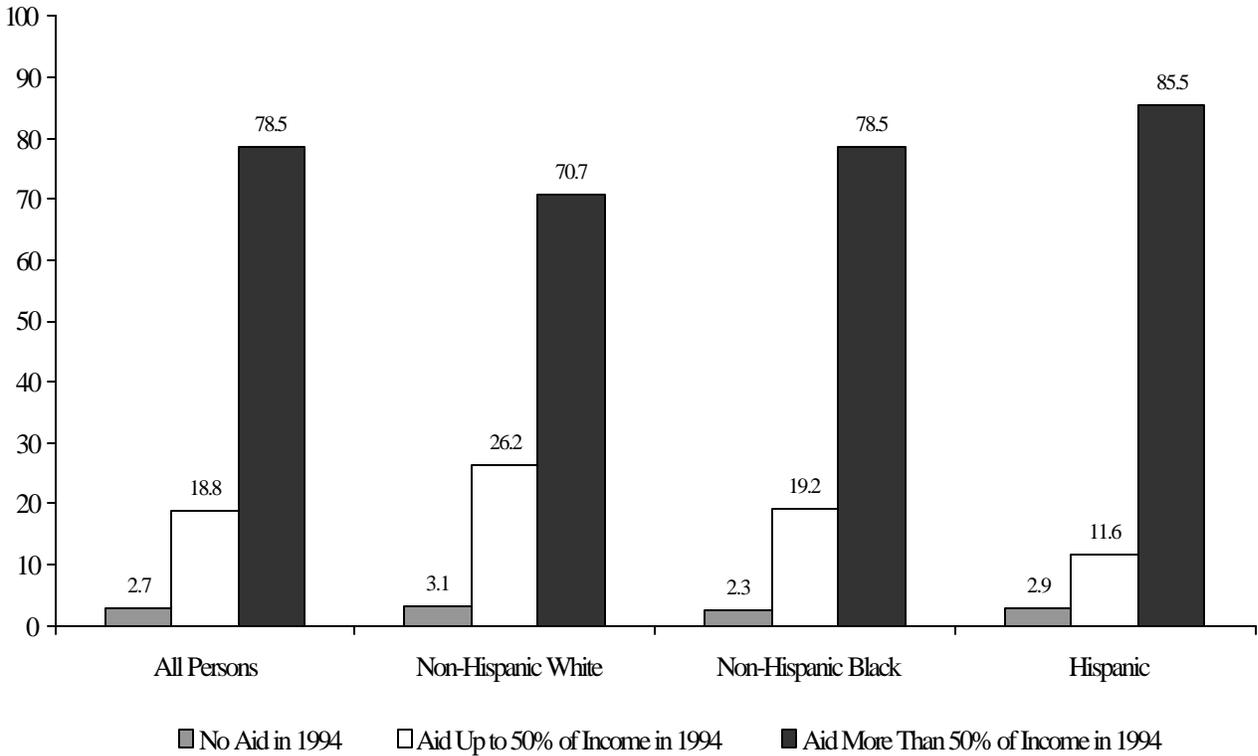
	Any Receipt	One Program Only			Two Programs	
		AFDC/ TANF	FS	SSI	AFDC/TANF & FS	FS & SSI
1993	12.6	0.6	5.2	1.1	4.8	1.0
1994	12.8	0.5	5.3	1.2	4.6	1.1
1995	12.3	0.4	5.0	1.2	4.5	1.1
1996	12.0	0.3	5.3	1.2	4.0	1.1
1997	10.2	0.4	4.3	1.3	3.1	1.0
1998	9.0	0.4	3.9	1.4	2.4	0.9
1999	8.5	0.4	3.8	1.3	2.0	1.0

Note: Categories are mutually exclusive. SSI receipt based on individual receipt; AFDC/TANF and food stamp receipt based on full recipient unit. By definition, individuals may not receive both AFDC/TANF and SSI; hence, no individual receives benefits from all three programs. The percentage of individuals receiving assistance from any one program in an average month (shown here) is lower than the percentage residing in families receiving assistance over the course of a year (shown in Table SUM 1 in Chapter I and Table IND 1a in Chapter II).

Source: March CPS data, analyzed using the TRIM3 microsimulation model.

INDICATOR 6. DEPENDENCE TRANSITIONS

Figure IND 6. Dependency Status in 1995 of Persons Who Received More than 50 Percent of Income from Means-Tested Assistance in 1994, by Race/Ethnicity



Source: Unpublished data from the SIPP, 1993 panel.

- Nearly four-fifths (79 percent) of all recipients who received more than 50 percent of their total income from means-tested assistance programs in 1994 also received more than 50 percent of their total income from these same programs in 1995.
- Of recipients who received more than 50 percent of their total income from AFDC, food stamps and SSI in 1994, a larger percentage of non-Hispanic whites became “less dependent” in 1995 (received 50 percent or less of their total income from means-tested assistance programs) compared to Hispanics and non-Hispanic blacks.
- As shown in Table IND 6, a slightly larger percentage of women who received more than half of their total income from means-tested assistance programs in 1994 remained “dependent” in 1995 compared to the same percentage for men (79 percent compared to 73 percent).

Table IND 6. Dependency Status in 1995 of Persons Who Received More than 50 Percent of Income from Means-Tested Assistance in 1994, by Race/Ethnicity and Age

Individuals Receiving more than 50% of Income from Assistance in 1994	Total (000's)	Percentage of Persons Receiving		
		No Aid in 1995	Up to 50% in 1995	Over 50% in 1995
All Persons	13,986	2.7	18.8	78.5
Racial/Ethnic Categories				
Non-Hispanic White	4,804	3.1	26.2	70.7
Non-Hispanic Black	4,710	2.3	19.2	78.5
Hispanic	3,418	2.9	11.6	85.5
Age Categories				
Children Ages 0-5	3,185	2.0	18.6	79.4
Children Ages 6-10	2,102	0.6	17.8	81.6
Children Ages 11-15	1,724	1.6	19.5	78.9
Men Ages 16-64	1,866	2.5	18.7	72.6
Women Ages 16-64	4,472	7.1	20.4	78.8
Adults Age 65 and over	636	4.6	17.9	77.5

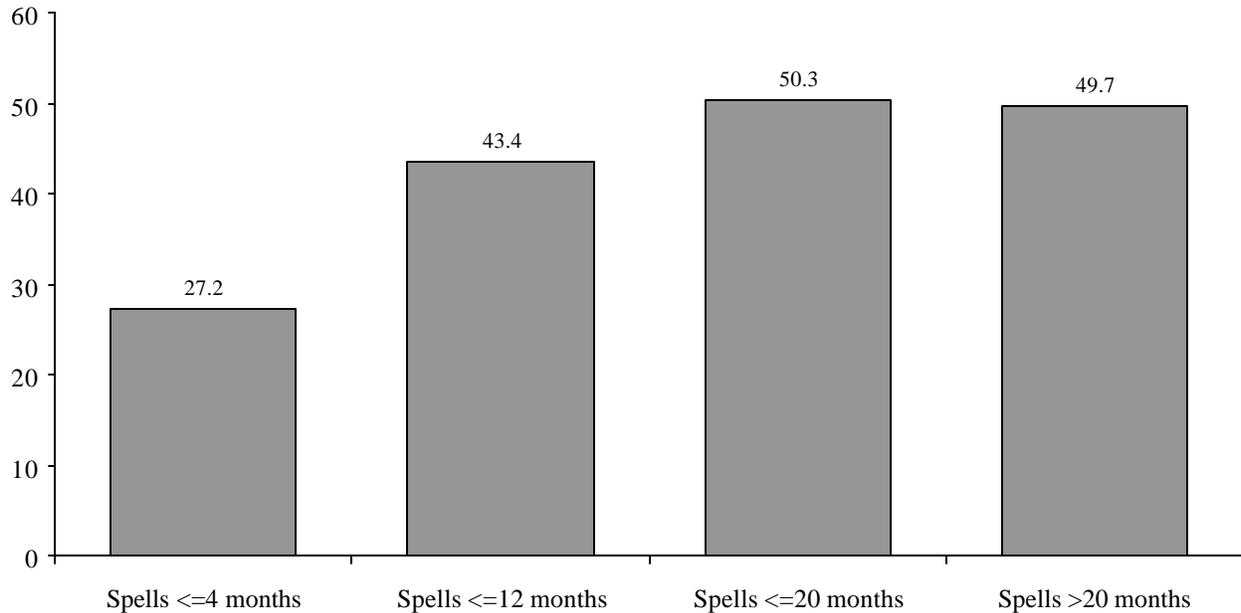
Note: Means-tested assistance is defined as AFDC, food stamps, and SSI. While only affecting a small number of cases, general assistance income is included within AFDC income. Individuals are defined as dependent if they reside in families with more than 50 percent of total annual family income from these means-tested programs.

Because full calendar year data for 1995 were not available for all SIPP respondents, some transitions were based on twelve-month periods that did not correspond exactly to calendar years.

Source: Unpublished data from the SIPP, 1993 panel.

INDICATOR 7. DEPENDENCE SPELL DURATION

Figure IND 7. Percentage of AFDC Spells of Individuals in Families with No Labor Force Participants for Individuals Entering Programs During the 1993 SIPP Panel, by Length of Spell



Source: Unpublished data from the SIPP, 1993 panel.

- Forty-three percent of AFDC spells for individuals in families with no one in the labor force ended within a year. This measure is for individuals entering AFDC in 1993-1995, prior to enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA).
- Over one-quarter (27 percent) of AFDC spells for individuals in families where no one participated in the labor force lasted four months or less.
- As shown in Table IND 7, a smaller percentage of AFDC spells to children in families with no labor force participants ended in four months or less compared to their adult counterparts (25 percent compared to 31 percent).
- Spells shown in Figure IND 7 are limited to spells of recipients in families without any labor force participation. Spell lengths are shorter in Figure IND 8, which shows spells for *all* recipients, including those in families with labor force participants. For example, whereas only half (50 percent) of spells shown in Figure IND 7 end in 20 months or less, over two-thirds (69 percent) of all AFDC spells last 20 months or less, as shown in Figure IND 8.

Table IND 7. Percentage of AFDC Spells of Individuals in Families with No Labor Force Participants for Individuals Entering Programs During the 1993 SIPP Panel, by Length of Spell, Race/Ethnicity, and Age

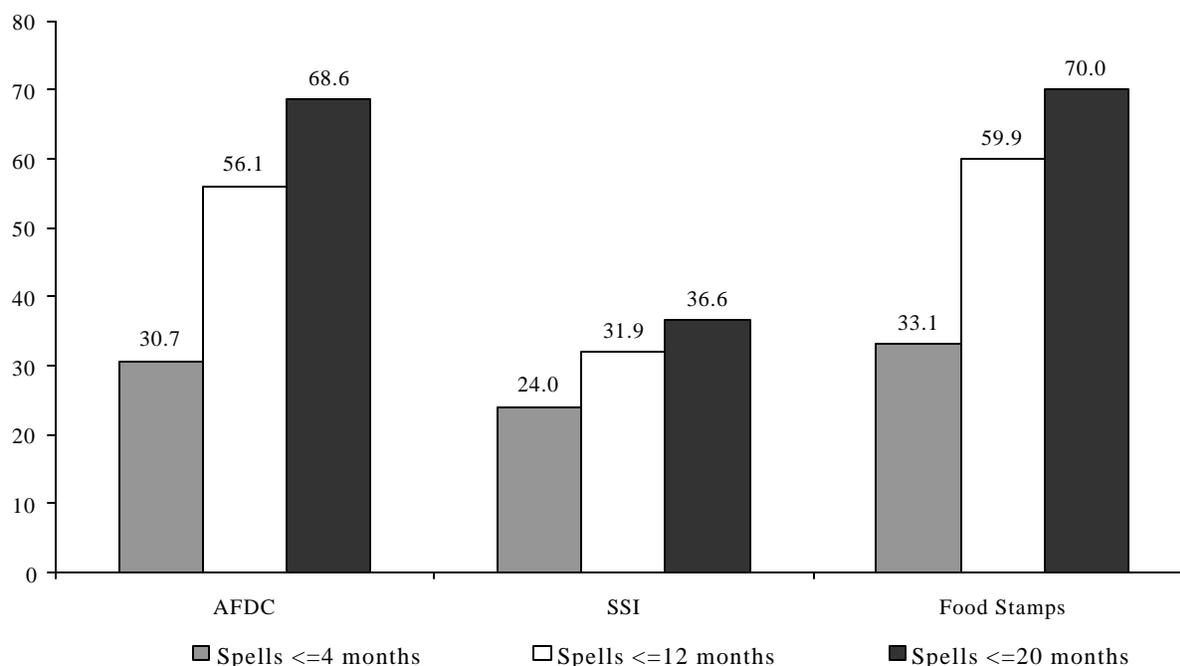
	Spells <=4 months	Spells <=12 months	Spells <=20 months	Spells >20 months
All Persons	27.2	43.4	50.3	49.7
Racial/Ethnic Categories				
Non-Hispanic White	30.2	40.7	43.0	57.0
Non-Hispanic Black	17.4	45.6	N/A	N/A
Hispanic	33.2	N/A	N/A	N/A
Age Categories				
Children Ages 0-15	24.7	41.9	49.1	50.9
Adults Ages 16-64	30.6	45.8	51.9	48.1

Note: Spell length categories are not mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. AFDC spells are defined as those spells starting during the 1993 SIPP panel for individuals in families with no labor force participants. For certain racial/ethnic categories, data are not available (N/A) due to insufficient sample size.

Source: Unpublished data from the SIPP, 1993 panel.

INDICATOR 8. PROGRAM SPELL DURATION

Figure IND 8. Percentage of AFDC, Food Stamp, and SSI Spells for Individuals Entering Programs During the 1993 SIPP Panel, by Length of Spell



Source: Unpublished data from the SIPP, 1993 Panel.

- Between the years 1993 and 1995, short spells lasting 4 months or less accounted for 31 percent of AFDC spells, 24 percent of SSI spells, and 33 percent of food stamp spells.
- Over one-half of all AFDC and food stamp spells lasted one year or less (56 percent and 60 percent, respectively). In contrast, only 32 percent of SSI spells ended within one year. The percentage of SSI spells that lasted more than 20 months is twice the percentage of AFDC and food stamp spells that lasted this long (see Table IND 5).
- As shown in Table IND 8, for AFDC spells, a larger percentage of short spells (lasting 4 months or less) and a smaller percentage of long spells (lasting more than 20 months) occurred among non-Hispanic whites compared to non-Hispanic blacks and Hispanics.
- A larger percentage of AFDC and food stamp spells among adults ages 16 to 64 ended within 4 months compared to spells among children.
- Short spells are less common among recipients in families without labor force participants, as shown previously in Figure and Table IND 7.

Table IND 8. Percentage of AFDC, Food Stamp and SSI Spells for Individuals Entering Programs During the 1993 SIPP Panel, by Length of Spell, Race/Ethnicity, and Age

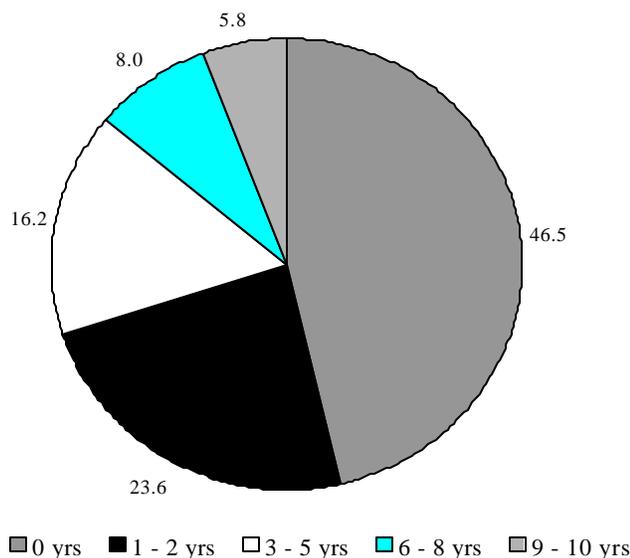
		Spells <=4 months	Spells <=12 months	Spells <=20 months	Spells >20 months
AFDC	All Recipients	30.7	56.1	68.6	31.4
	Racial/Ethnic Categories				
	Non-Hispanic White	35.6	62.2	72.3	27.7
	Non-Hispanic Black	24.6	52.3	66.7	33.3
	Hispanic	30.8	52.5	63.4	36.6
	Age Categories				
	Children Ages 0-15	28.1	53.6	65.6	34.4
Adults Ages 16-64	33.5	59.0	72.2	27.8	
SSI	All Recipients	24.0	31.9	36.6	63.4
	Racial/Ethnic Categories				
	Non-Hispanic White	27.2	34.6	40.8	59.2
	Non-Hispanic Black	20.5	26.2	30.0	70.0
	Hispanic	20.0	32.2	NA	NA
	Age Categories				
	Adults Ages 16-64	26.8	34.6	39.7	60.3
FOOD STAMPS	All Recipients	33.1	59.9	70.0	30.0
	Racial/Ethnic Categories				
	Non-Hispanic White	34.3	62.1	71.5	28.5
	Non-Hispanic Black	28.4	53.4	64.9	35.1
	Hispanic	35.4	64.0	71.1	28.9
	Age Categories				
	Children Ages 0-15	29.8	56.5	67.0	33.0
Adults Ages 16-64	35.9	63.0	72.8	27.2	

Note: Spell length categories are not mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. AFDC spells are defined as those starting during the 1993 SIPP Panel. For certain age and racial/ethnic categories, data are not available (N/A) because of insufficient sample size. Data on SSI reciprocity for children are not available (N/A).

Source: Unpublished data from the SIPP, 1993 Panel.

INDICATOR 9. LONG-TERM DEPENDENCY

Figure IND 9. Percentage of AFDC Recipients with More than 50 Percent of Income from AFDC and Food Stamps Between 1987 and 1996, by Years of Dependency



Source: Unpublished data from the PSID, 1988-1997.

- Almost half (47 percent) of all persons who received AFDC at some point in the ten-year period ending in 1996 were not dependent on welfare in any of these years. Specifically, they did not receive more than 50 percent of their income from AFDC and/or food stamps in any of the ten years (SSI receipt is excluded from this measure of dependency). This was also true for recipients in the two earlier ten-year time periods, as shown in Table IND 9.
- About 14 percent of recipients in the most recent ten-year period were dependent (received more than 50 percent of annual income from AFDC and food stamps) for more than five years between 1987 and 1996. The 14 percent of recipients who were dependent for six or more years represent 1.7 percent of the total population. In addition, 16 percent of AFDC recipients were dependent for three to five years, and 24 percent were dependent for one or two years.
- As shown in Table IND 9, young children (ages 0-5 in 1987) are more likely to experience long-term dependency than other individuals. About one-fourth (26 percent) of such children receiving AFDC at least once between 1987 and 1996 were dependent on AFDC and food stamp income for six or more years. Another 45 percent were dependent for one to five years, and only 28 percent were not dependent in any year.

Table IND 9. Percentage of AFDC Recipients with More than 50 Percent of Income from AFDC and Food Stamps Across Three Ten-Year Time Periods, by Years of Dependency, Race, and Age

Between 1967 and 1976:

Years Dependent:	All Recipients			Child Recipients 0-5 in 1967		
	All	Black	Non-Black	All	Black	Non-Black
0 Years	47.9	33.0	56.2	37.1	25.0	44.3
1-2 Years	23.2	25.6	21.9	26.6	23.6	28.4
3-5 Years	17.5	22.3	14.8	22.2	27.0	19.3
6-8 Years	8.0	12.3	5.7	9.4	15.5	5.8
9-10 Years	3.3	6.8	1.4	4.7	8.9	2.2

Between 1977 and 1986:

Years Dependent:	All Recipients			Child Recipients 0-5 in 1977		
	All	Black	Non-Black	All	Black	Non-Black
0 Years	49.5	38.8	56.2	32.0	18.9	40
1-2 Years	23.7	24.0	23.5	26.6	25.1	27.6
3-5 Years	12.4	15.4	10.5	14.1	19.4	10.9
6-8 Years	9.0	12.0	7.1	15.0	15.0	15.0
9-10 Years	5.5	9.9	2.8	12.2	21.7	6.5

Between 1987 and 1996:

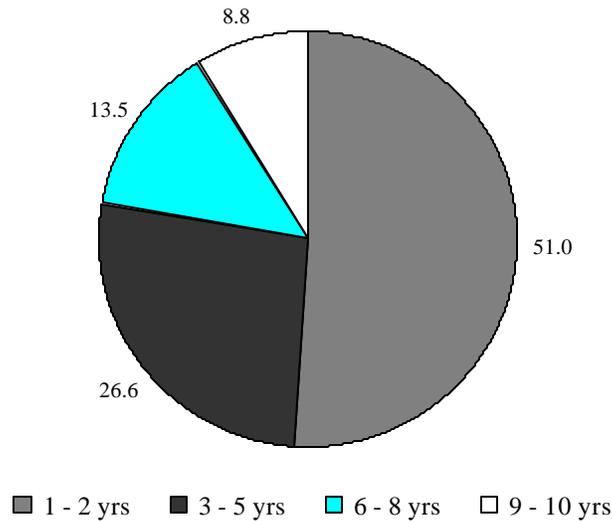
Years Dependent:	All Recipients			Child Recipients 0-5 in 1987		
	All	Black	Non-Black	All	Black	Non-Black
0 Years	46.5	35.5	54.5	28.2	18.8	37.9
1-2 Years	23.6	22.7	24.2	22.4	21.1	23.8
3-5 Years	16.2	17.9	14.9	23.0	21.8	24.2
6-8 Years	8.0	14.1	3.5	15.3	23.0	7.3
9-10 Years	5.8	9.8	2.9	11.0	15.3	6.8

Note: The base for the percentages consists of individuals receiving at least \$1 of AFDC in any year in the ten-year period. Footnotes in previous reports erroneously defined the base for these percentages as individuals receiving at least \$1 of AFDC in the first year of the ten-year period. The current table is based on the same methodology used to compute estimates for earlier reports. Child recipients are defined by age in the first year of the 10-year period. This measures years of dependency over the specified ten-year time periods and does not take into account years of dependency that may have occurred before or after the ten-year period.

Source: Unpublished data from the PSID 1968-93 final release files and 1994-1997 unreleased preliminary data as of January, 2002.

INDICATOR 10. LONG-TERM RECEIPT

Figure IND 10. Percentage of AFDC Recipients, by Years of Receipt Between 1987 and 1996



Source: Unpublished data from the PSID, 1988-1997.

- Among all persons receiving AFDC at some point in the ten-year period ending in 1996, about half (51 percent) received assistance for only one or two of these years. About one quarter (27 percent) received AFDC for three to five years, and close to one quarter (22 percent) received AFDC for more than five years.
- As shown in Table IND 10, compared to non-black recipients, a large percentage of black recipients received AFDC for more than five years in all three ten-year time periods.
- A larger percentage of child recipients experienced long-term receipt and a smaller percentage experienced short-term receipt in all three time periods relative to the percentages for all recipients, as shown in Table IND 10.
- The percentage of AFDC recipients with long-term assistance (at least six years) is somewhat lower in the most recent ten-year time period—22 percent—than in the earlier two time periods (28 and 26 percent).
- Whereas nearly one-quarter (22 percent) of recipients received at least some AFDC for six or more years between 1987 and 1996 (as shown in Figure IND 10), only 14 percent of recipients received more than 50 percent of their income from AFDC and food stamps for six or more years over the same time period (as previously shown in Figure IND 9).

Table IND 10: Percentage of AFDC Recipients Across Three Ten-Year Time Periods by Years of Receipt, Race, and Age

Between 1967 and 1976:

Years received AFDC:	All Recipients			Child Recipients 0-5 in 1967		
	All	Black	Non-Black	All	Black	Non-Black
1-2 Years	46.8	32.2	54.9	39.6	24.6	48.6
3-5 Years	27.1	32.4	24.1	30.7	38.5	26.0
6-8 Years	17.9	22.3	15.4	18.3	19.9	17.3
9-10 Years	8.2	13.2	5.5	11.4	17.0	8.0

Between 1977 and 1986:

Years received AFDC:	All Recipients			Child Recipients 0-5 in 1977		
	All	Black	Non-Black	All	Black	Non-Black
1-2 Years	46.1	32.1	54.9	35.5	17.0	46.7
3-5 Years	26.0	29.3	24.0	23.1	31.5	18.0
6-8 Years	17.4	22.9	13.9	19.7	22.7	17.8
9-10 Years	10.5	15.7	7.3	21.7	28.8	17.4

Between 1987 and 1996:

Years received AFDC:	All Recipients			Child Recipients 0-5 in 1987		
	All	Black	Non-Black	All	Black	Non-Black
1-2 Years	51.0	39.2	59.7	34.6	18.8	51.1
3-5 Years	26.6	27.6	25.9	29.6	33.5	25.6
6-8 Years	13.5	18.2	10.0	20.6	25.2	15.9
9-10 Years	8.8	15.0	4.3	15.1	22.5	7.4

Note: As in Table IND 9, the base for the percentages consists of individuals receiving at least \$1 of AFDC in any year in the ten-year period. Footnotes in previous reports erroneously defined the base for these percentages as individuals receiving at least \$1 of AFDC in the first year of the ten-year period. The current table is based on the same methodology used to compute estimates for earlier reports. Child recipients are defined by age in the first year of the 10-year period. This measures years of reciprocity over the specified ten-year time periods and does not take into account years of reciprocity that may have occurred before or after the ten-year period.

Source: Unpublished data from the PSID 1968-93 final release files and 1994-1997 unreleased preliminary data as of January, 2002.

INDICATOR 11. EVENTS ASSOCIATED WITH THE BEGINNING AND ENDING OF PROGRAM SPELLS

Table IND 11a. Percentage of First AFDC Spell Beginnings Associated with Specific Events: Selected Periods

	Spell Began 1973-1979	Spell Began 1980-1985	Spell Began 1986-1991
First birth to an unmarried, non-cohabiting mother	27.9	20.9	22.2
First birth to a married and/or cohabiting mother	13.3	17.4	11.3
Second (or higher order) birth	19.9	18.2	15.2
Divorce/separation	19.7	28.1	17.3
Mother's work hours decreased by >500 hours per year	26.3	18.8	26.2
Other adults' work hours decreased by >500 hours, but no change in family structure	34.8	27.9	21.6
Other adults' work hours decreased by >500 hours, and a change in family structure	4.7	7.9	11.4
Householder acquired work limitation	18.1	15.6	23.5
Other transfer income dropped by >\$1,000 (in 1996\$)	4.5	6.5	4.1
Changed state of residence	4.5	10.6	5.4

Note: Events are defined to be neither mutually exclusive nor exhaustive. Work limitation is defined as a self-reported physical or nervous condition that limits the type of work or the amount of work the respondent can do.

Source: Unpublished data from the PSID, 1974–1992.

- Between 1986 and 1991, the most common events associated with the beginnings of a first AFDC spell were work-related: a decrease in mother's work hours (26 percent), a decrease in work hours of another adult (22 percent), and acquisition of a work limitation (24 percent).
- The percentage of first AFDC episode beginnings associated with a householder acquiring a work limitation was higher for spells that began between 1986 and 1991 (24 percent) than for spells that began between 1973 and 1979 (16 percent) or 1980 to 1985 (18 percent).
- Between 1973 and 1979, first births to an unmarried, non-cohabiting mother were associated with 28 percent of first AFDC episodes. In contrast, such births were associated with 21 percent of first spells beginning between 1980 and 1985, and 22 percent of spells beginning between 1986 and 1991.

**Table IND 11b. Percentage of First AFDC Spell Endings Associated with Specific Events:
Selected Periods**

	Spell Ended 1973-1979	Spell Ended 1980-1985	Spell Ended 1986-1991
Mother married or acquired cohabitor	16.1	17.1	21.7
Children under 18 no longer present	4.4	4.1	4.8
Mother's work hours increased by more than 500 hours per year	15.4	25.0	27.1
Other adults' work hours increased by more than 500 hours, but no change in family structure	21.8	16.8	16.7
Other adults' work hours increased by more than 500 hours, and a change in family structure	6.5	10.3	5.8
Householder no longer reports work limitation	13.0	19.2	15.8
Other transfer income increased by \$1,000 or more (in 1996\$)	5.0	5.5	5.8
Changed state of residence	5.9	11.0	5.9

Note: Events are defined to be neither mutually exclusive nor exhaustive. Work limitation is defined as a self-reported physical or nervous condition that limits the type of work or the amount of work the respondent can do.

Source: Unpublished data from the PSID, 1974-1992.

- During the 1986 to 1991 time period, over one-fourth (27 percent) of first AFDC spell endings were associated with increases in mother's work hours. The corresponding percentage was smaller for spells ending between 1973 and 1979 (15 percent).
- In the period between 1973 and 1979, a greater percentage of spell endings was associated with an increase in work hours for other adults (22 percent) as compared to mothers (15 percent). In the more recent time period (1986 to 1991), a greater percentage of spell endings was associated with an increase in mother's work hours (27 percent) compared to other adults (17 percent).